Council of the European Union

Brussels, 2 April 2019
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From: Presidency
To: Permanent Representatives Committee/Council
Subject: Multiannual Financial Framework (MFF) 2021-2027 - Progress report

I. STATE OF PLAY IN THE COUNCIL

1. In May 2018, the Commission adopted a package of horizontal proposals on the Multiannual Financial Framework (MFF) for the years 2021 to 2027 which consisted of a Council Regulation, an Interinstitutional Agreement on budgetary discipline, a Council Decision, two Council Regulations, a Council amending Regulation on Own Resources of the EU, a Regulation of the European Parliament and the Council on the protection of the Union's budget.

2. Between May and June 2018, the Commission adopted 44 sectoral proposals complementing this package.

3. During the Bulgarian and Austrian Presidencies, delegations started the examination of the proposals, and prepared 18 partial general approaches or partial mandates. An agreement was also reached on the Council Regulation on State Aids.
4. During the first General Affairs Council under its Presidency on 8 January 2019, the
Romanian Presidency expressed its intention to make as much progress as possible on sectoral
files.

5. Since January, two more partial mandates - for some elements of the Cohesion Policy
Legislative Package 2021-2027 and for the InvestEU programme - as well as two more partial
general approaches - for the European Globalisation Adjustment Fund (EGF) and the
Instrument for Pre-accession Assistance (IPA III) - were granted.

II. RELATIONS WITH THE EUROPEAN PARLIAMENT

6. The European Parliament has adopted first reading positions on several sectoral proposals
without entering in negotiations with the Council, namely on: Single Market Programme, EU
Anti-Fraud Programme, European Globalisation Adjustment Fund, Pericles IV programme,
Creative Europe programme, Erasmus programme, European Solidarity Corps programme,
Neighbourhood, Development and International Cooperation Instrument, Cross-border
mechanism, Instrument for Pre-accession Assistance (IPA III), European Regional
Development Fund and Cohesion Fund, Asylum and Migration Fund, Integrated Border
Management Fund, Internal Security Fund, Specific provisions for the European territorial
cooporation goal (Interreg) and the Common provisions on the European Regional
Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European
Maritime and Fisheries Fund and financial rules for those.

7. The Romanian Presidency has also started negotiations with the European Parliament on 13
MFF-related sectoral files, on the basis of the relevant partial general approaches or partial
mandates.

8. Without prejudice to the final outcome of the horizontal negotiations on the MFF, the
European Parliament and the Council now share a common understanding on ten sectoral
files, namely Digital Europe, European Defence Fund, Space Programme, Rights and Values
Programme, Justice Programme, LIFE, Horizon Europe (Framework Programme
Regulation), InvestEU, Fiscalis and the Connecting Europe Facility.
9. On 27 February 2019, COREPER endorsed the proposed Presidency approach to consolidate the progress made with the European Parliament\(^1\), and in particular the possibility to send a letter to the European Parliament to recognise the progress.

10. On 26 March 2019, President Tajani replied to the President of the Council. In this context, on 1st April 2019 COREPER approved that the Presidency sends a letter on behalf of the Council to transmit to the European Parliament the documents which contain the texts of the common understandings\(^2\).

11. COREPER is invited to take note of progress achieved, and transmit this report to the Council for its information.

\(^1\) doc. ST 6428/1/19 REV1
\(^2\) doc. ST 7946/19
### COMMON UNDERSTANDINGS

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<td>Digital Europe Programme</td>
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<td>8</td>
<td>Horizon Europe (Framework Programme Regulation)(^3)</td>
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<td>9</td>
<td>InvestEU</td>
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<td>10</td>
<td>Fiscalis</td>
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### OTHER ONGOING NEGOTIATIONS ON MFF SECTORAL FILES

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\(^3\) Subject to confirmation by the European Parliament of the compromise on the overall package, including the Specific Programme in accordance with the special legislative procedure.